



# AGRICULTURAL BULLETIN

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ROY WENZLICK & CO.

*Real Estate Economists, Appraisers and Counselors*

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## THE FARM BOOM SLOWS DOWN

THE average dollar value per acre of farms in each State from 1910 through July 1947 is shown on the following charts. Tax figures, gathered by the Bureau of Agricultural Economics, are plotted on the charts in red. The taxes and farm values shown include both land and buildings. Including buildings in the values of farm lands increases the value per acre in States with small farms more than in States where the farms are large, since \$3000 worth of buildings on a 100-acre farm will increase the value per acre by \$30 while the same improvements on a 1000-acre farm will increase the value only \$3 per acre.

The most recent data indicate that during the past year the boom in farm values may be leveling off somewhat. From November 1945 to November 1946 the national average per acre for farm values increased 14 per cent; from November 1946 to November 1947 the increase was 7.7 per cent. This is the smallest annual increase since 1942. The increase from July 1947 to November 1947 was only 1 per cent.

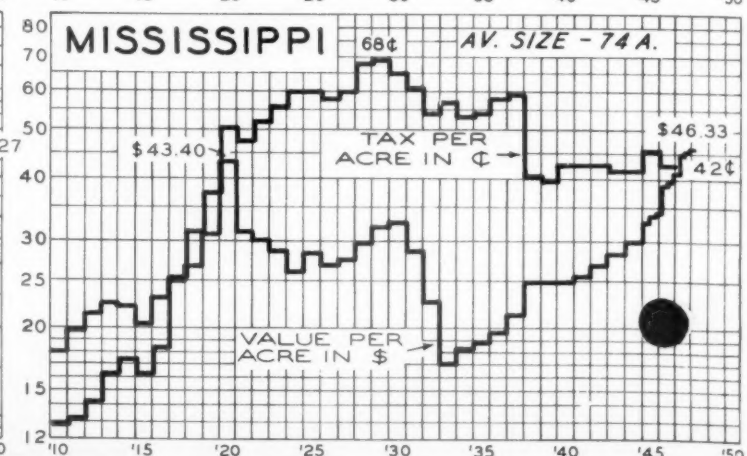
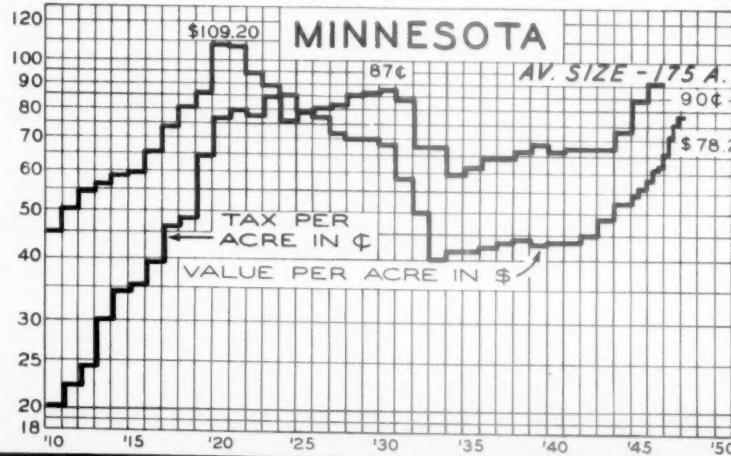
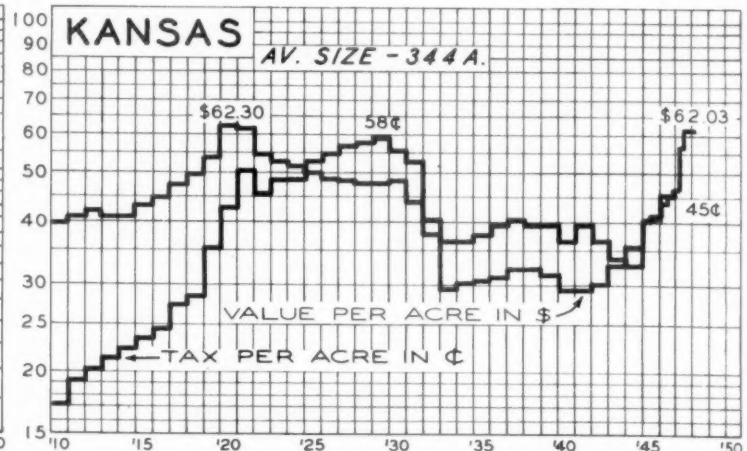
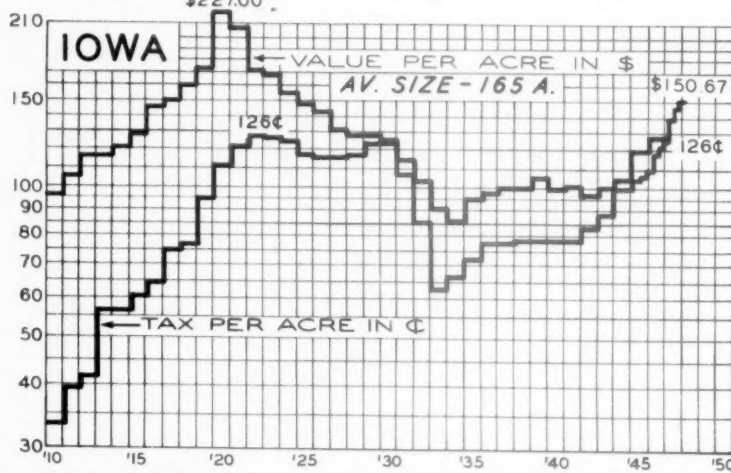
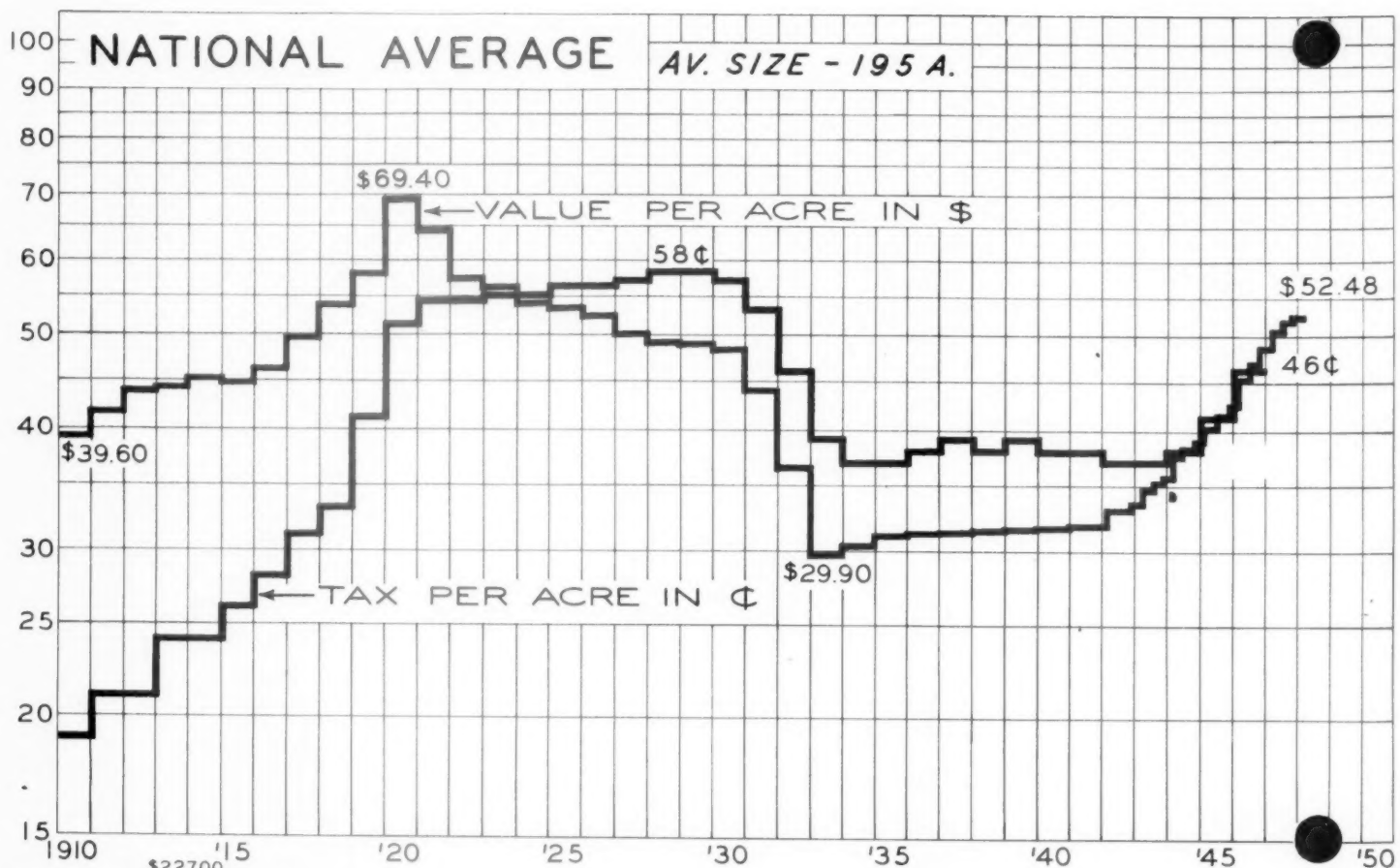
The leveling off period may be expected to continue for quite some time, especially if the prices of farm products remain high.

The short-term outlook for farm land values is quite bright due to the large foreign and domestic demands for food and other farm products. Despite this, and the fact that the over-all farm situation is much healthier than it was in 1920, we do not advocate any appreciable investing in farms at today's prices. A few years ago almost any farm was a good buy; today, however, the buyer's risk on new farm purchases is far in excess of any reasonable expected return. It's also a little late for new farm mortgages unless they're thin and well chosen. Most of the loans already made are sound, but from now on mortgage lenders would do well to have a careful eye and a good grip on the purse strings.

In the period from July 1947 to November 1947 there were four States which showed a decline in their average value per acre: Florida, 2.3 per cent; California, 1.5 per cent; Michigan, 1.3 per cent; and Virginia, 1 per cent. The following twelve States showed less than a 1 per cent increase during this same period: Arizona, Delaware, Indiana, Kansas, Louisiana, Maine, Missouri, New Mexico, North Carolina, Ohio, Wisconsin and Wyoming.

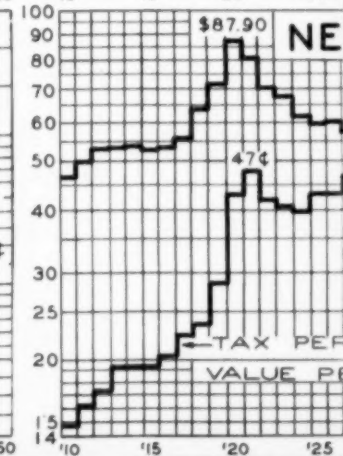
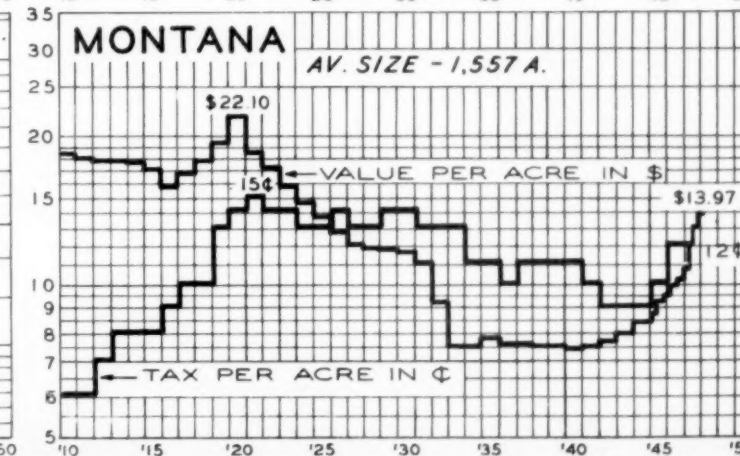
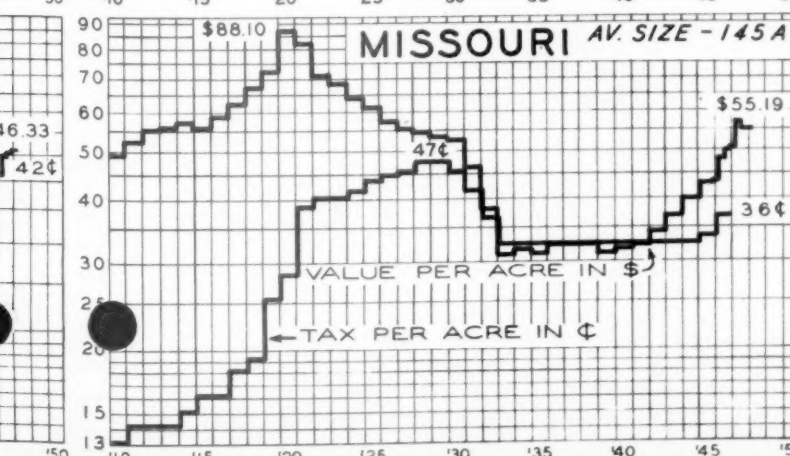
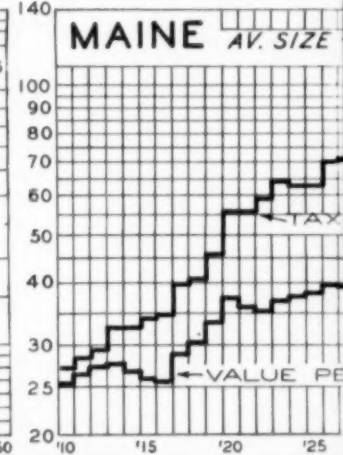
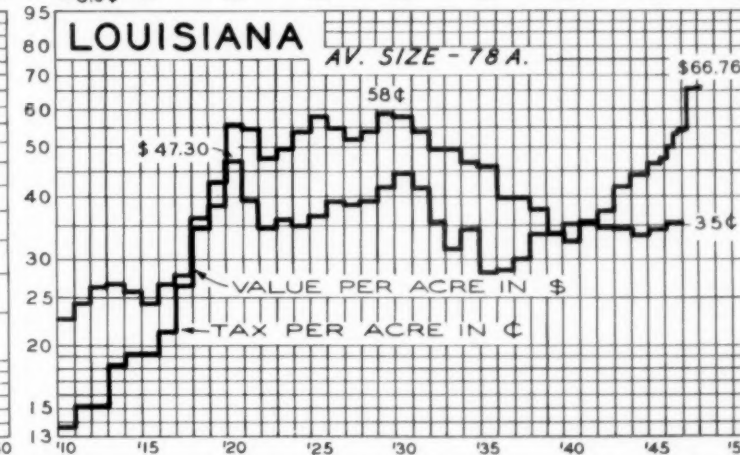
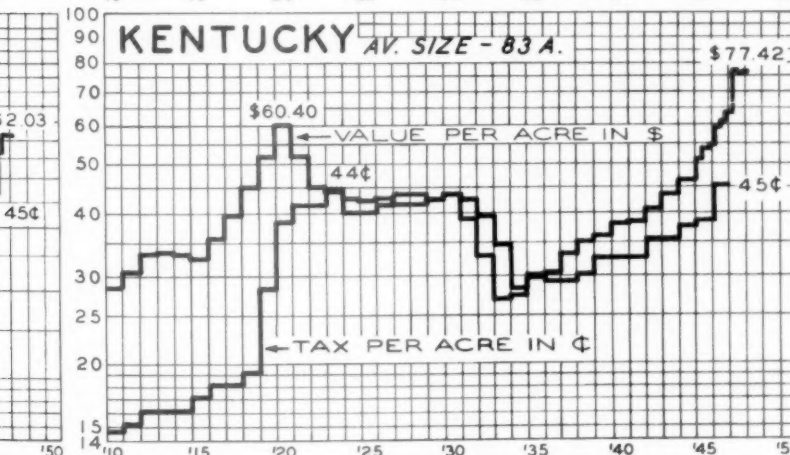
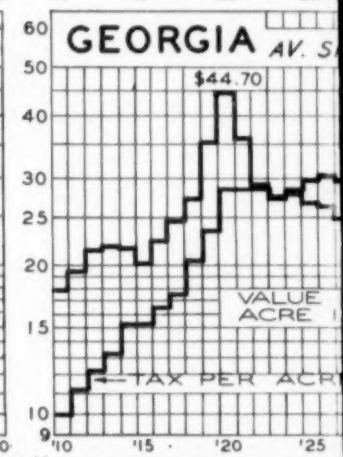
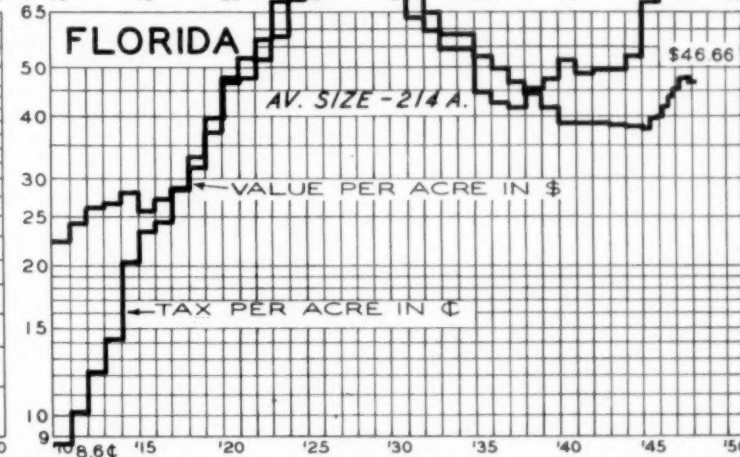
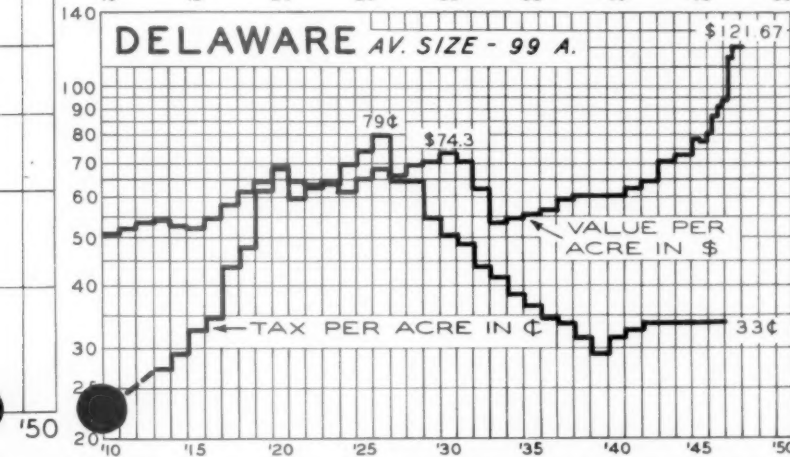
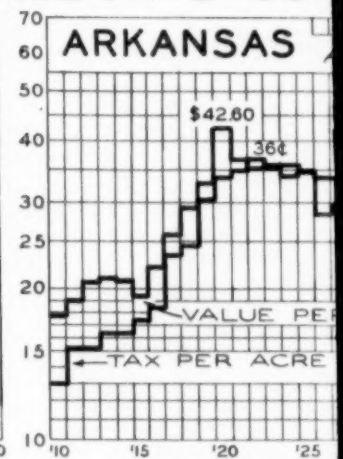
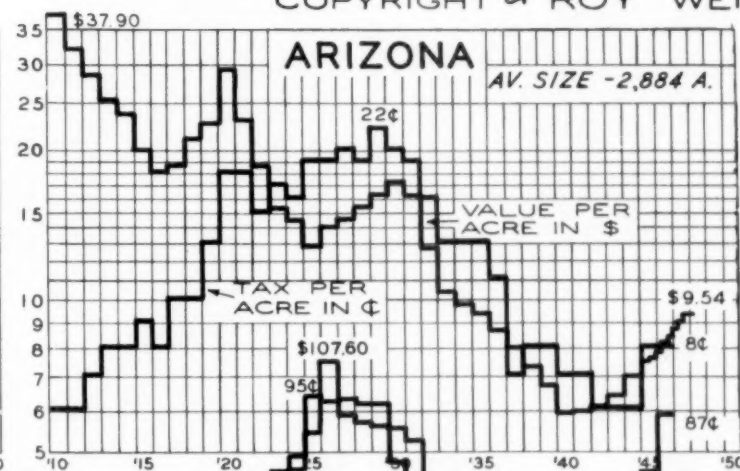
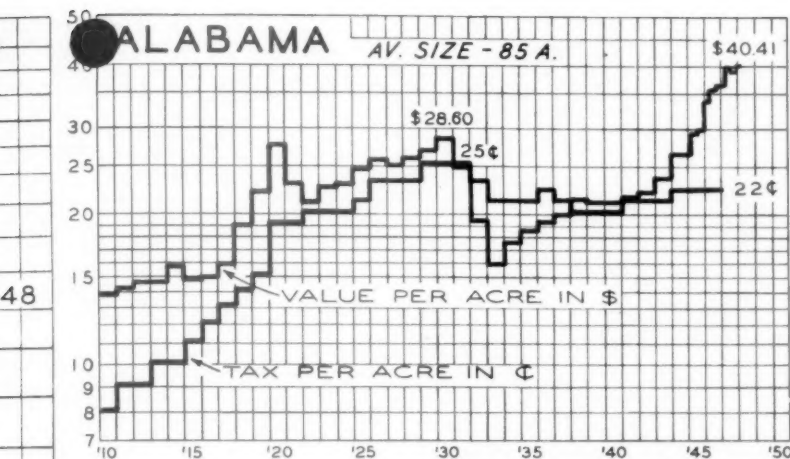
The States showing the largest increase in farm values were: North Dakota, 8 per cent; Montana, 6 per cent; and New Hampshire, 4.8 per cent.

Although the national average (which in November 1947 stood at \$52.48 per acre) is still well below the peak of 1920 (when it reached \$69.40 per acre), over half of the States have exceeded their former peak.



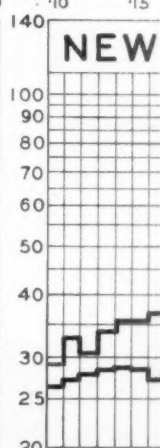
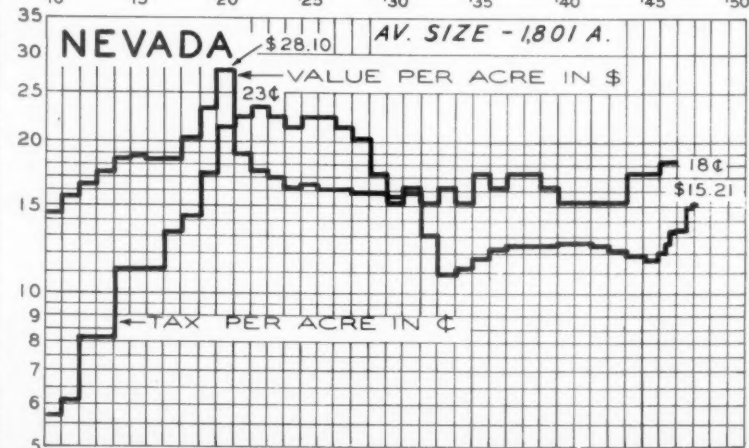
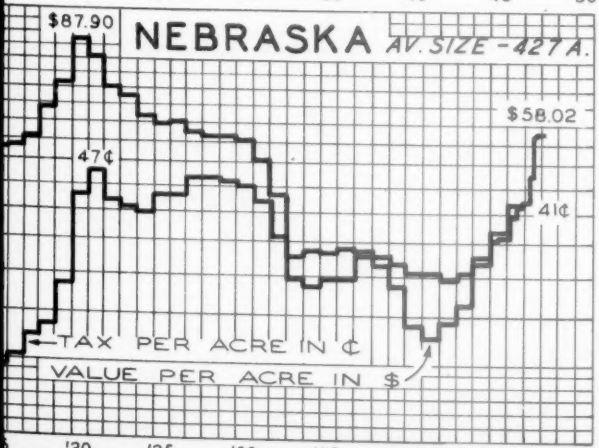
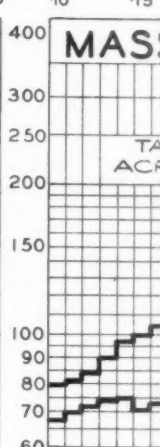
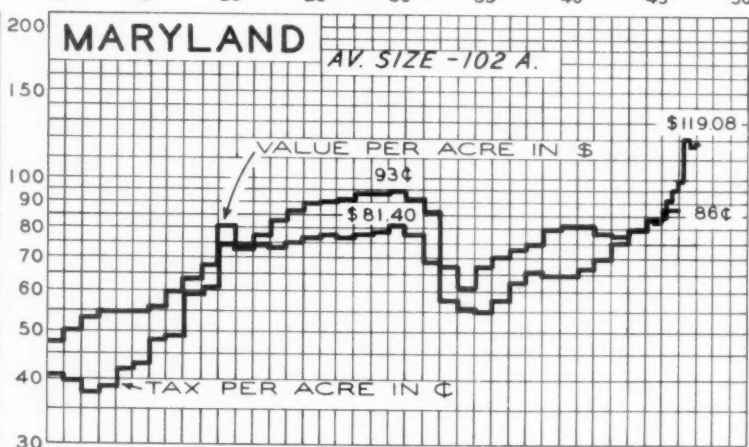
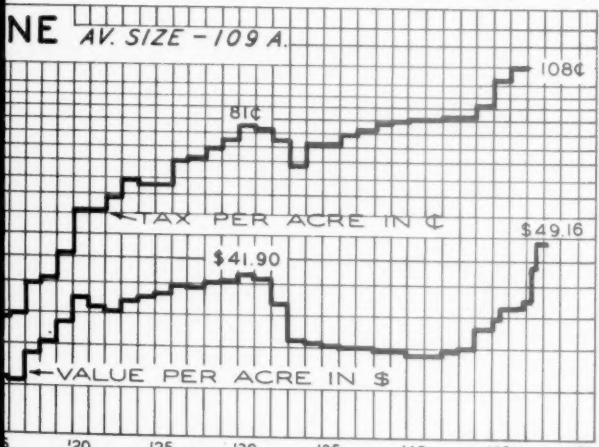
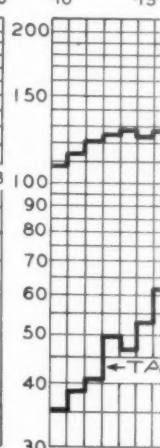
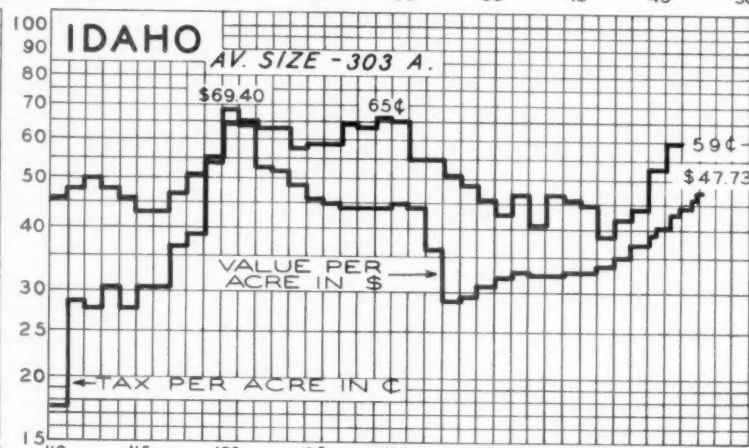
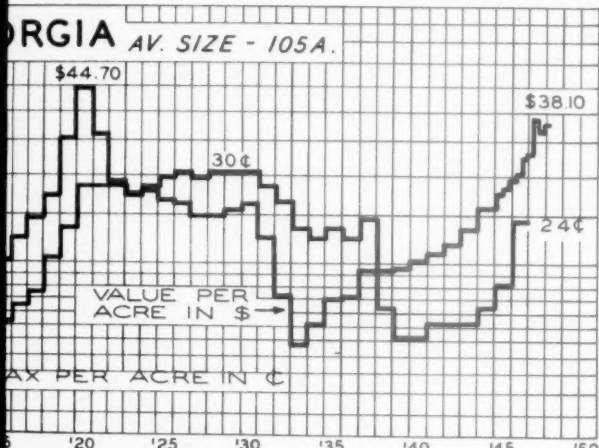
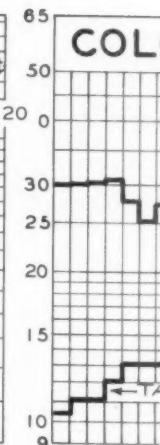
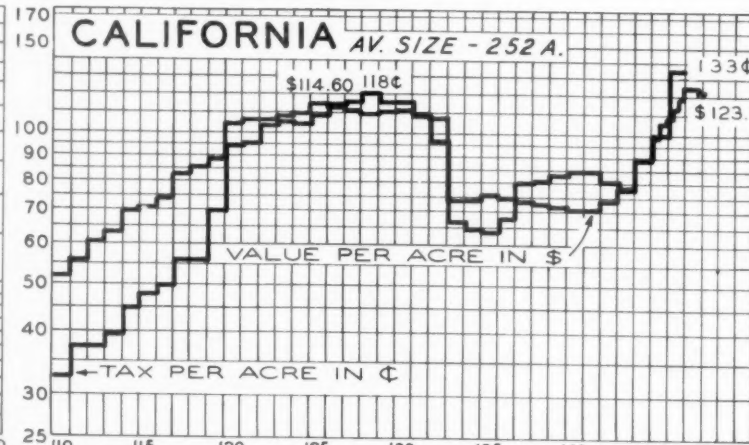
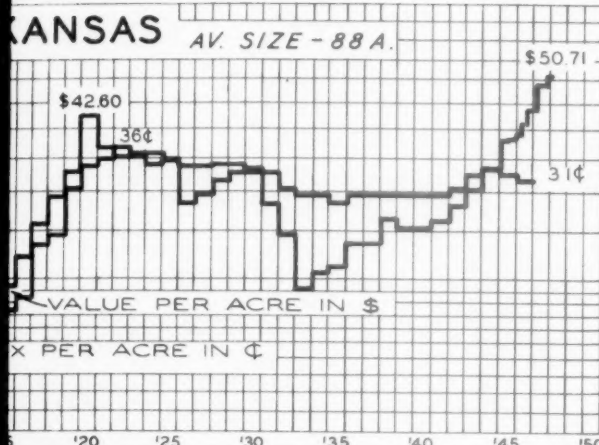
# FARM VALUES AND FARM

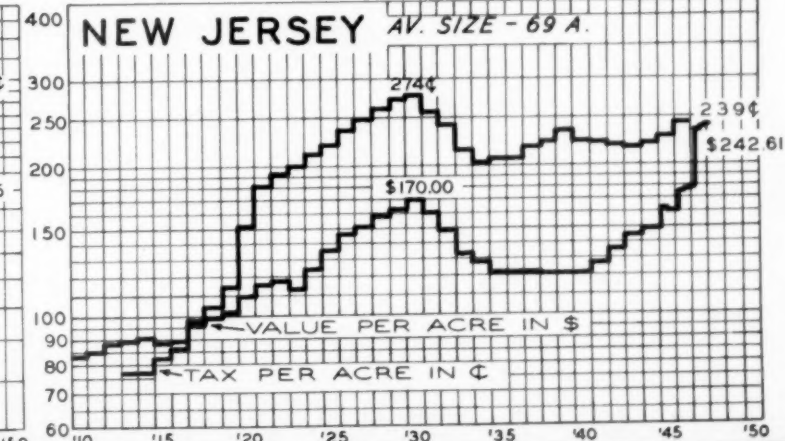
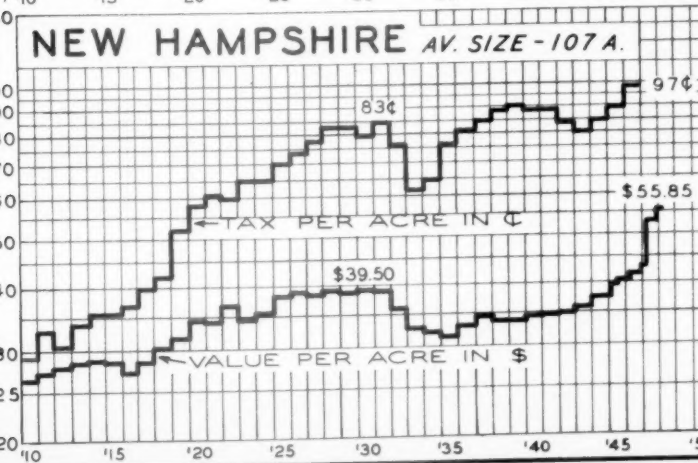
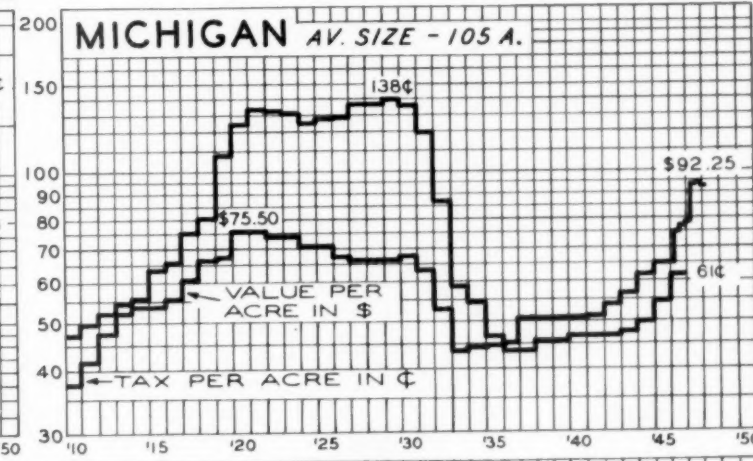
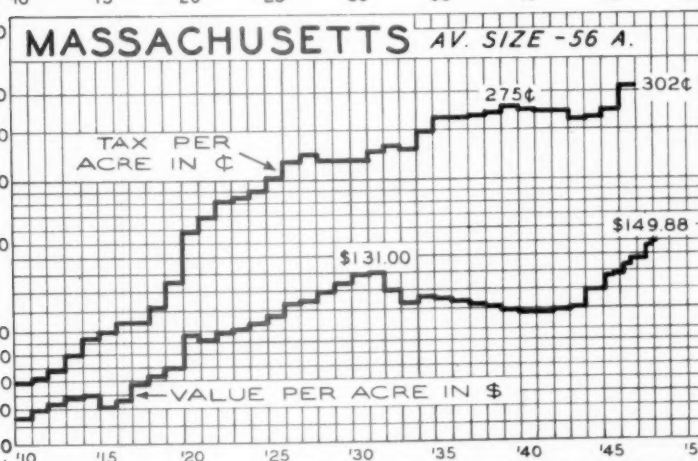
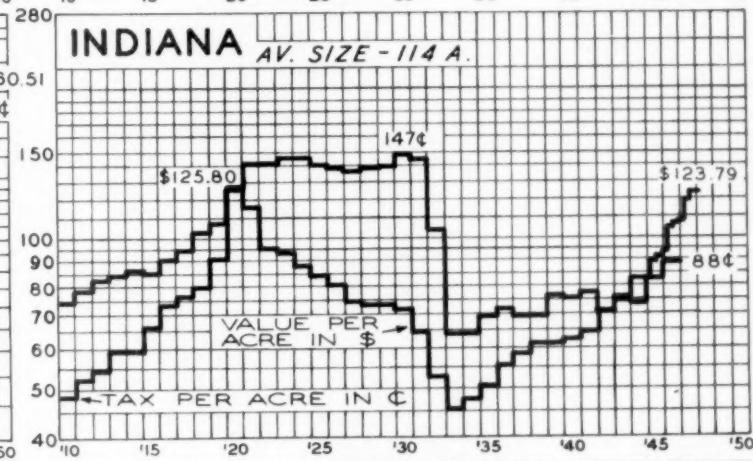
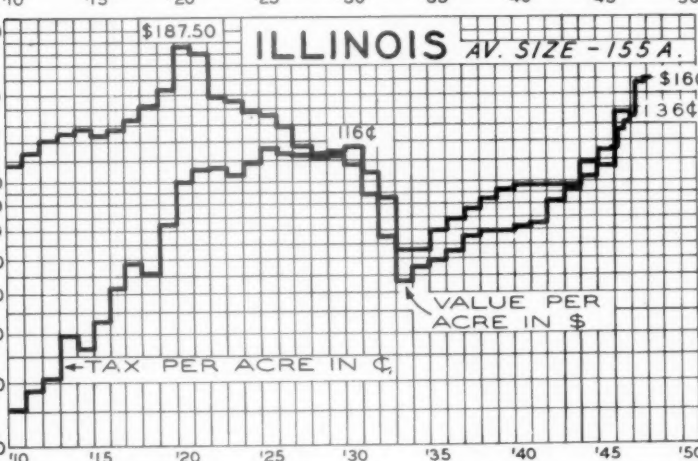
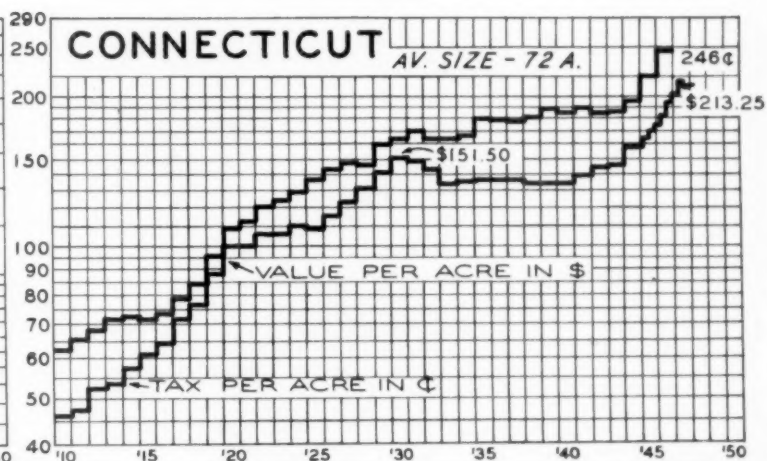
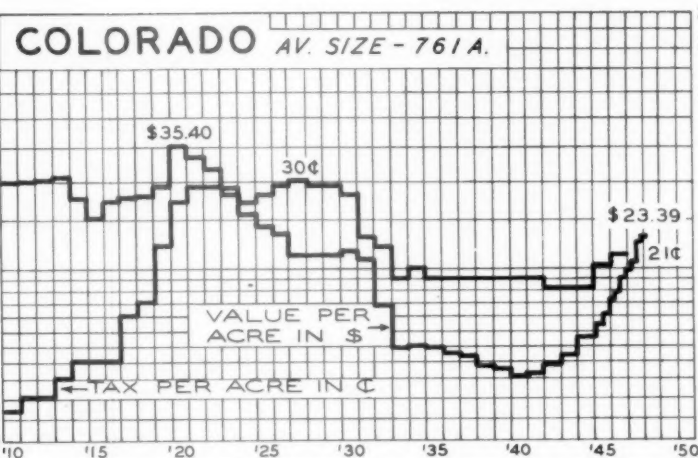
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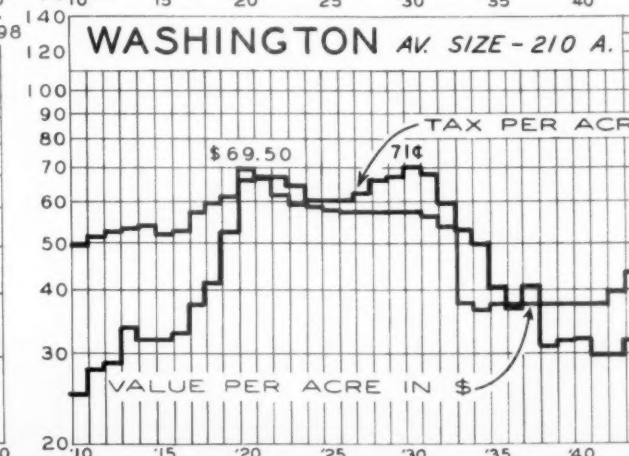
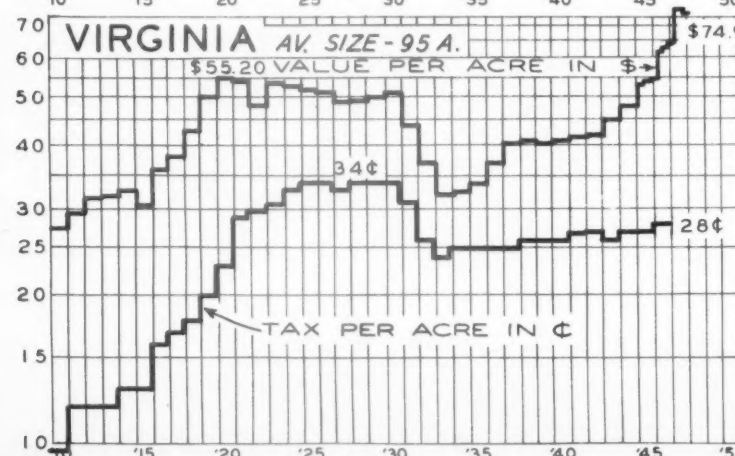
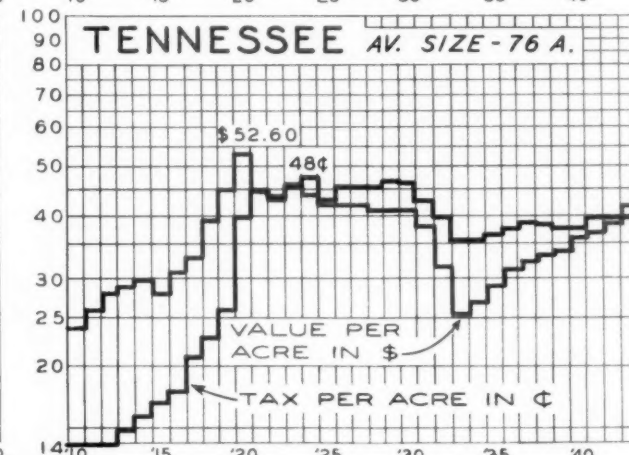
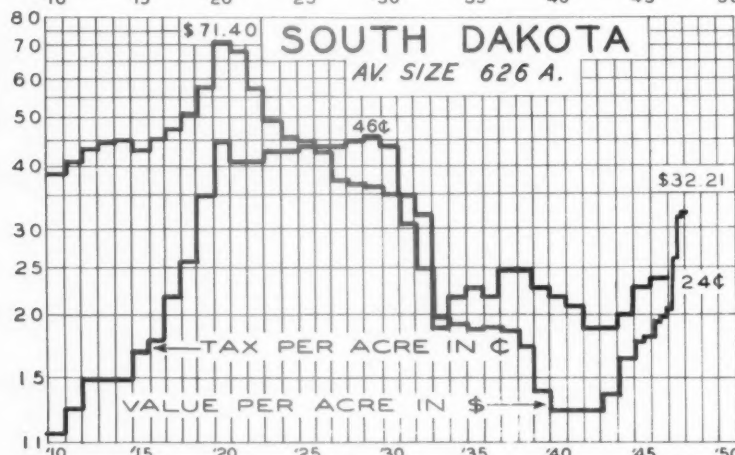
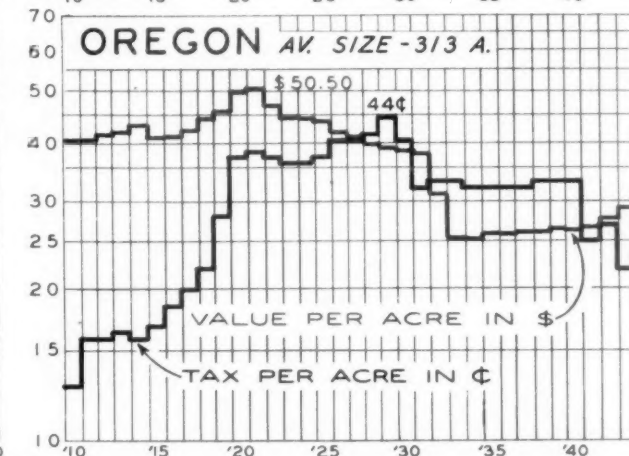
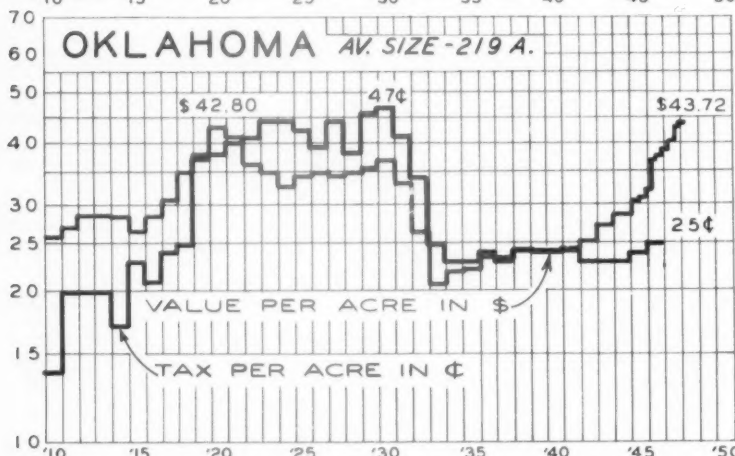
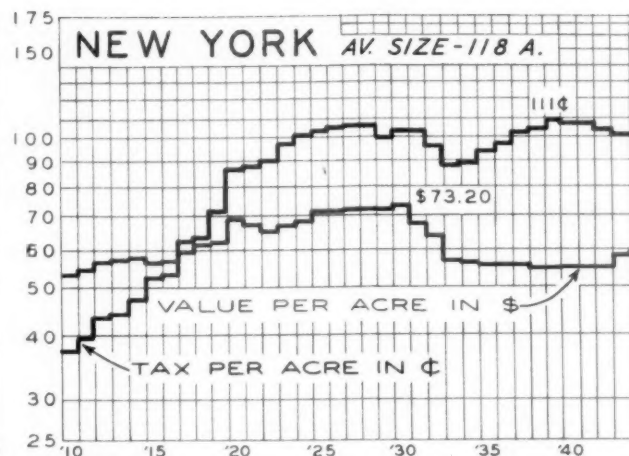
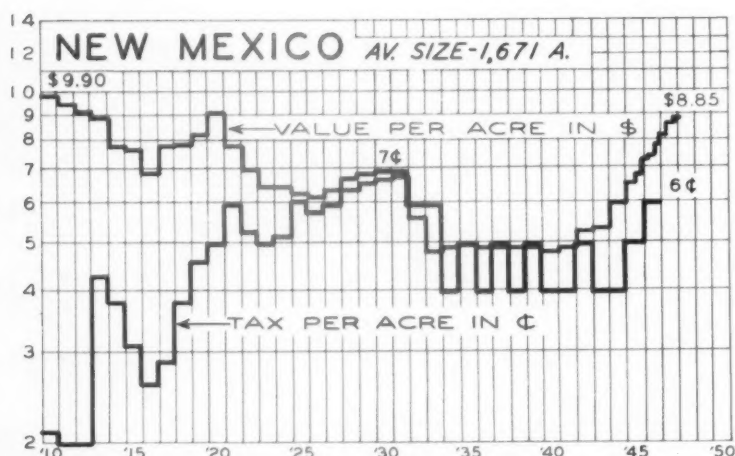
# FARM TAXES

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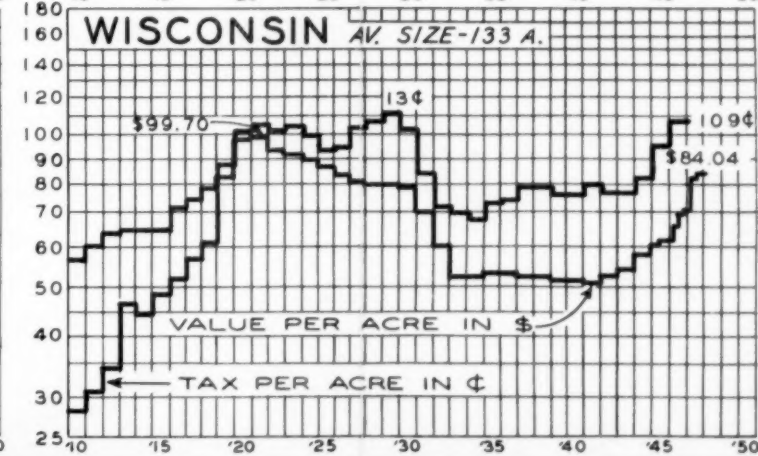
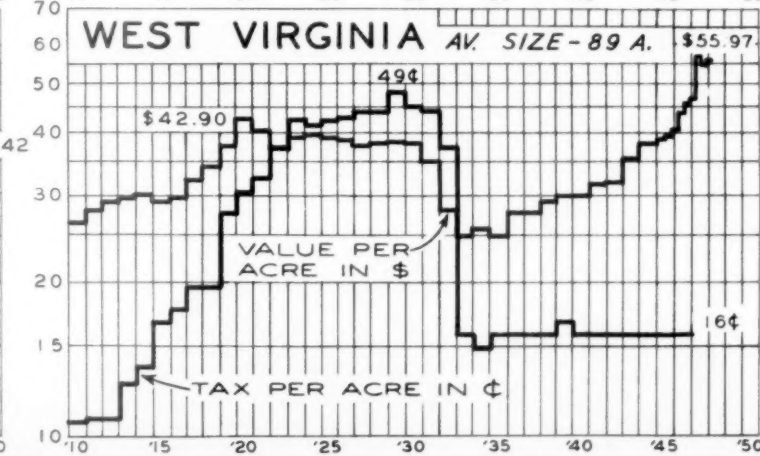
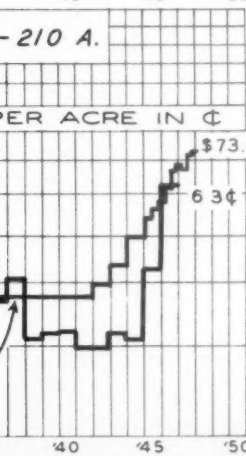
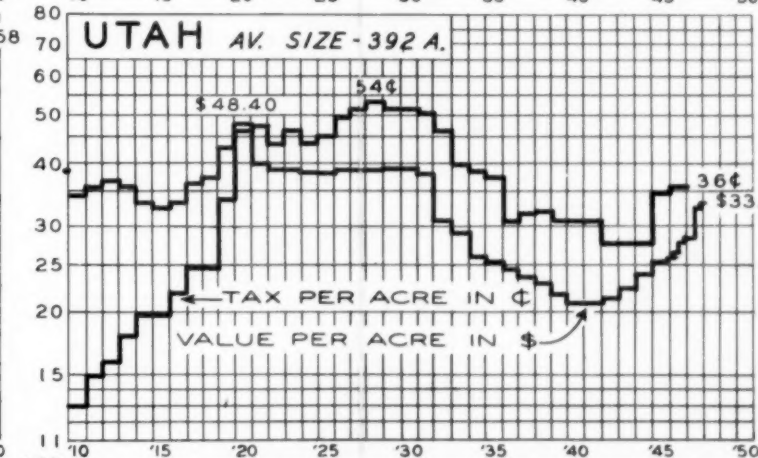
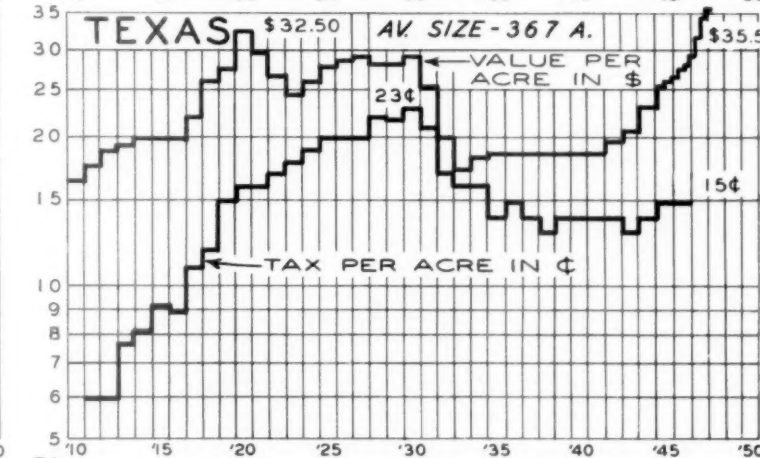
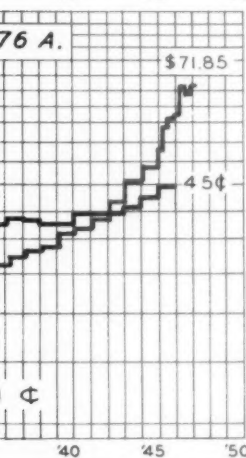
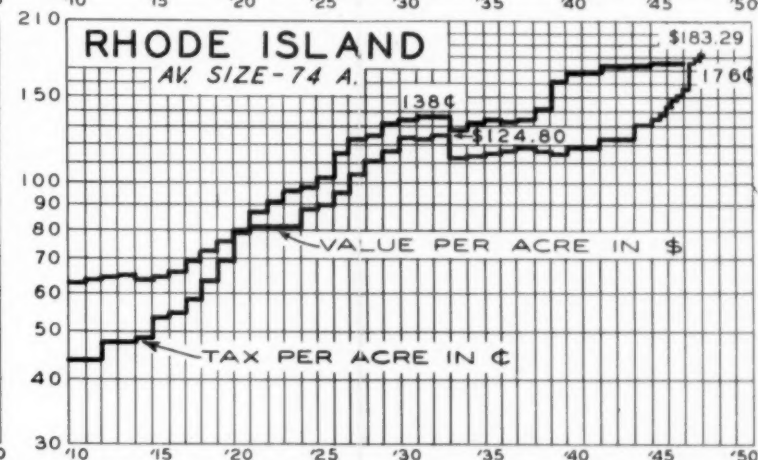
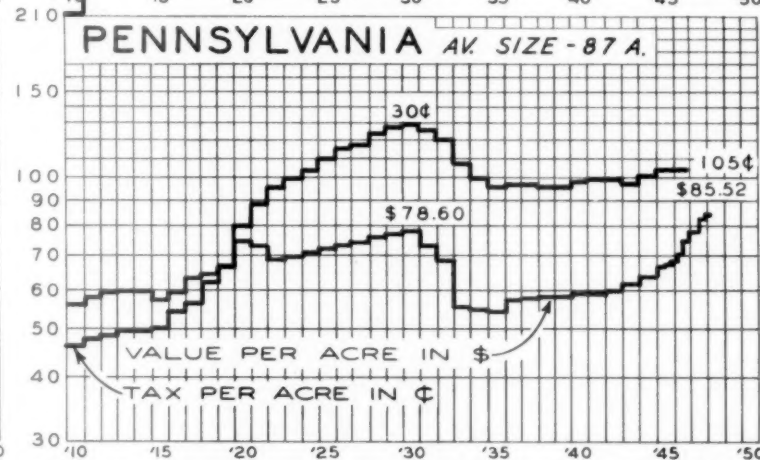
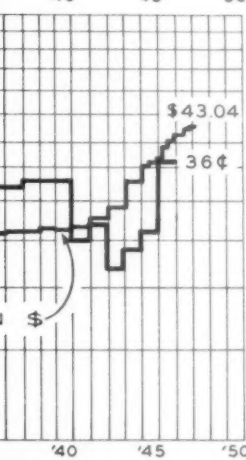
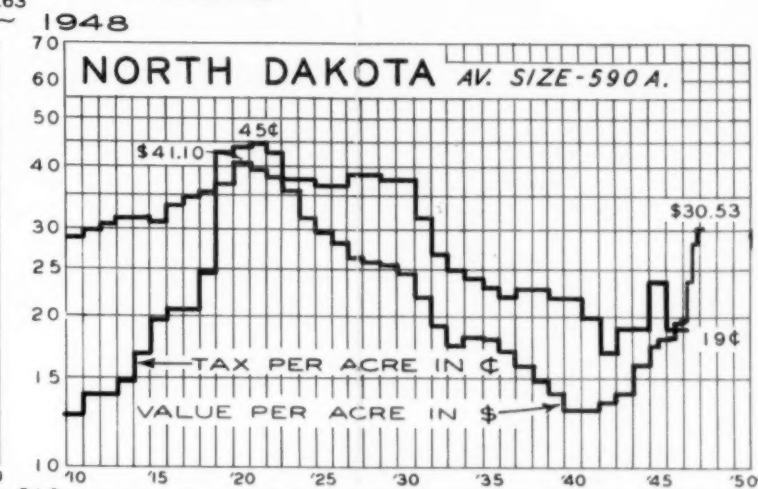
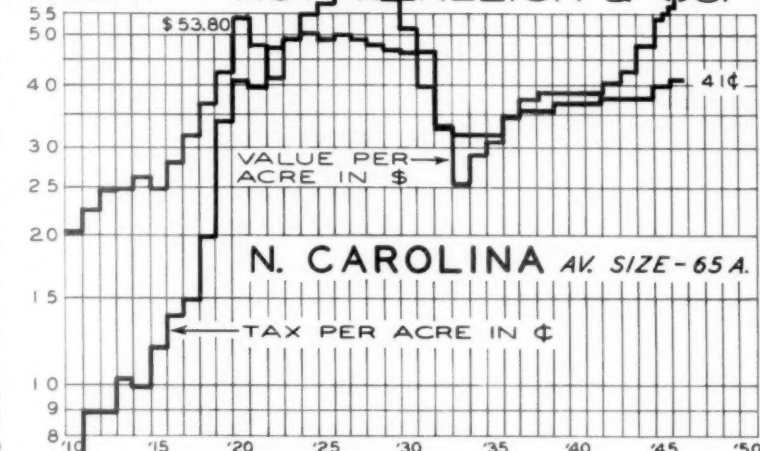
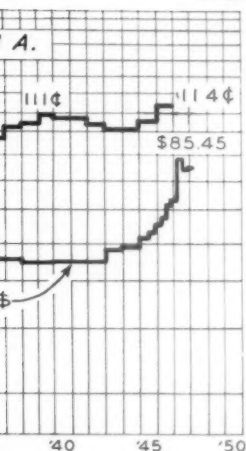


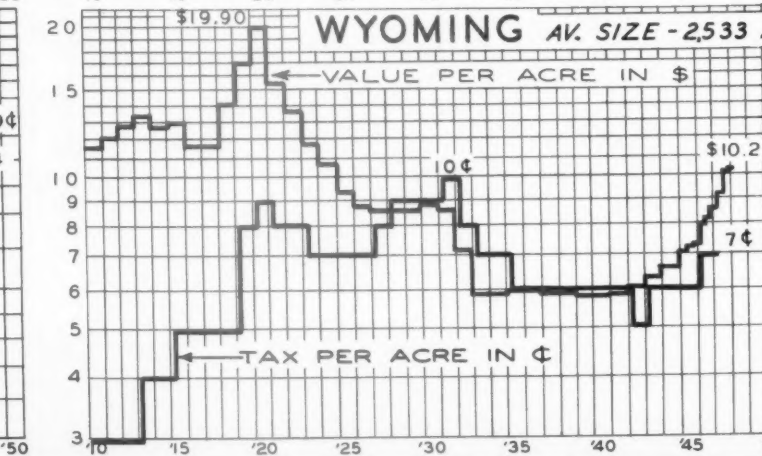
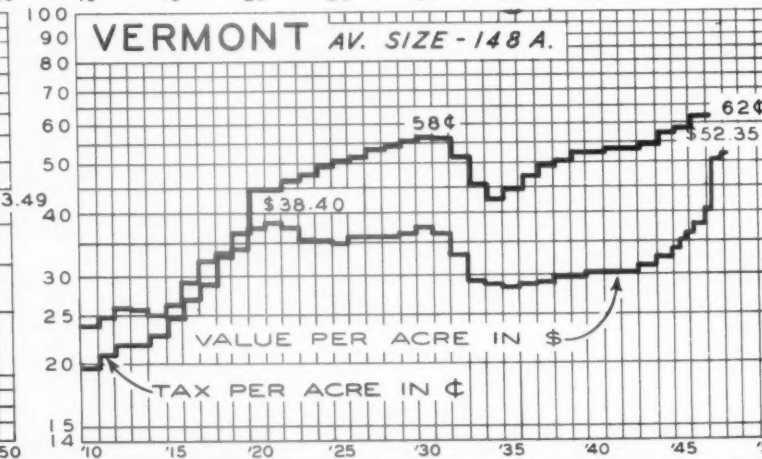
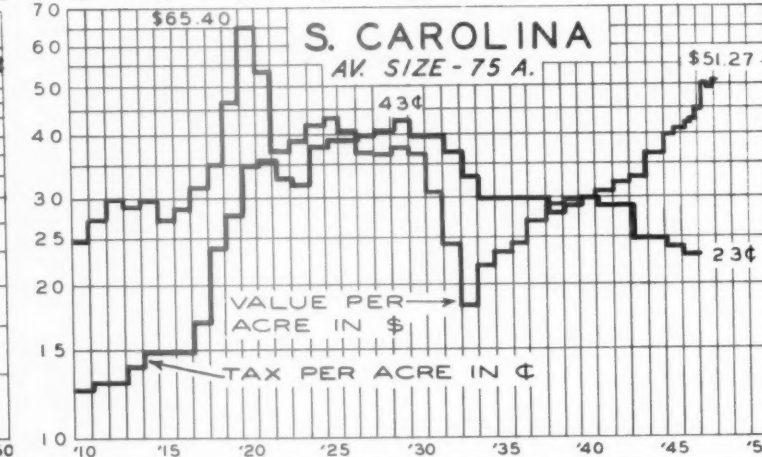
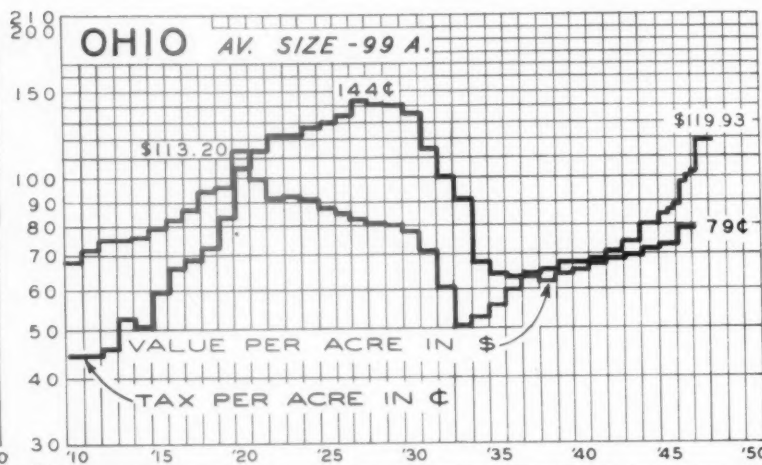
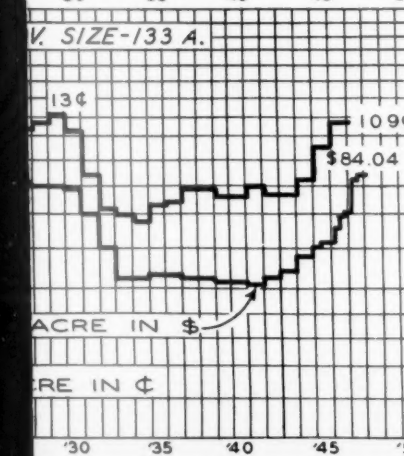
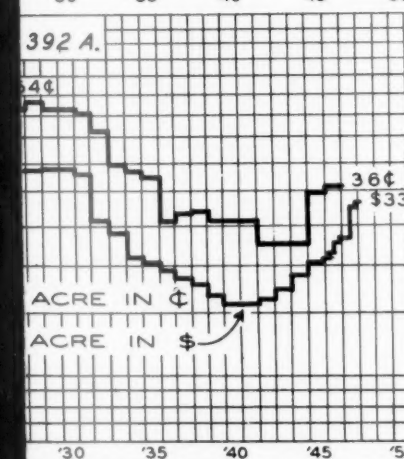
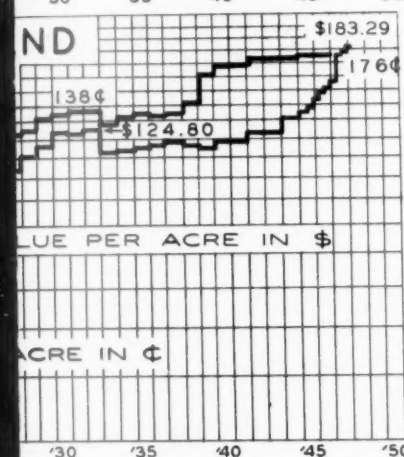
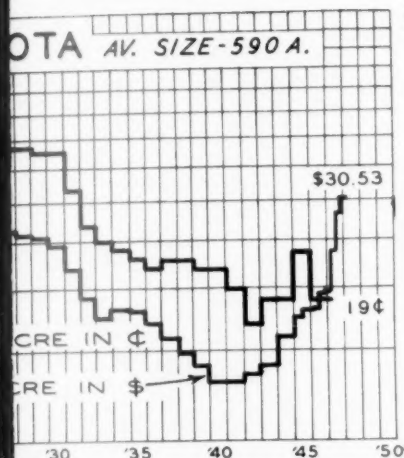
FARM VALUES PER ACRE IN DOLLARS AND FARM TAXES PER ACRE IN CENTS



# FARM VALUES AND FARM TAXES

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FARM VALUES PER ACRE IN DOLLARS AND FARM TAXES PER ACRE IN CENTS